

TORONTO STAFF REPORT

October 20, 2005

To: Economic Development and Parks Committee

From: Sue Corke, Deputy City Manager

Subject: Tourism Action Plan – Further Report on Gay & Lesbian Tourism Development and Museum Pass

Purpose:

To report as was requested on the inclusion of Gay & Lesbian marketing and marriage and the coordination of a one-day only unified pass to all museums in Toronto in the City's Tourism Action Plan. (Clause 9b of Economic Development and Parks Committee Report No. 1, considered by Council April 12, 13 and 14, 2005).

Financial Implications and Impact Statement:

There are no financial implications or impacts arising from this report.

Recommendations:

It is recommended that this report be received for information.

Background:

The Five Year Tourism Action Plan, adopted by Council in June 2003, is the main strategic document used to guide the Tourism Program's work program. The first annual progress report on its implementation (dated November 29, 2004) was considered by Toronto City Council at its meeting April 12, 13 and 14, 2005. Council requested that Gay & Lesbian marketing and marriage be included in the Plan, and that a report be done on the implementation of the Gay & Lesbian portions of the plan. A report also was requested on the co-ordination of a one-day only unified pass to all museums in Toronto.

Comments:

1. Gay and Lesbian Tourism:

The Gay and Lesbian travel market was one of the thirty two product development and packaging initiatives discussed in the Tourism Action Plan Implementation report. Work in 2003 and 2004 involved a number of meetings and consultations with a committee of gay-friendly businesses called the Gay Toronto Tourism Guild. This group had formed in 2002 and received \$25,000 in funding from Tourism Toronto to participate in several key travel trade shows profiling Toronto to the North American gay and lesbian market.

In 2003, Tourism Division staff assisted the group in identifying new funding opportunities and facilitated their successful application to the Province's Industry Partnership Program for a project that concluded in December 2004. A website was launched (www.gaytorontotourism.com) featuring information about Ontario marriage regulations, gay-friendly hotels and travel agencies and Toronto's tourism attributes. A marketing campaign co-funded by Guild members and the Ontario Tourism Marketing Partnership was undertaken that saw website visits increase from 1200 a month to a peak of 300,000 in July 2004 when the campaign was in full swing. Toronto was represented at seven trade shows and forums targeting the US gay and lesbian traveller, and a public relations campaign was mounted that resulted in extensive media coverage, including a segment on the PBS program "In the Life" that was carried on over 130 television stations across the US and watched by about one million people.

2004/5 has seen a growth in awareness about the potential in marketing Canadian destinations to the gay and lesbian market. Research has confirmed that the North American gay and lesbian population has an above average income level and propensity to travel. According to the Canadian Tourism Commission, the gay and lesbian market amounts to about 10% of the total travel industry in the United States, with a spending power in the range of \$45 billion to \$54 billion a year. The number of gays and lesbians living in the US is in the range of 15 to 20 million people. 84% hold passports (versus the national average of 29%) and 53% spend \$5,000 or more per person a year on vacations (information published in the Canadian Tourism Commission's "US Leisure 2005 Program: Gay and Lesbian Campaign").

Canada is one of the few countries in the world to recognize the legality of same-sex marriages, and most provinces are now issuing marriage licenses to same-sex couples. Ontario has been doing so since 2003. This gives Canada a distinct competitive advantage in attracting gay and lesbian travellers by signalling our society's acceptance of same-sex relationships. Couples wanting to legalize their unions by travelling to Canada for weddings are an important sub-market.

The Canadian Tourism Commission (CTC) initiated a campaign targeting the US gay and lesbian market in Spring 2005. The \$360,000 budget was used to establish a mini-site featuring information and contacts particularly relevant to the gay & lesbian traveller (www.keepexploring.ca/microsite/us_out), advertise in key Gay and Lesbian magazines and on websites, exhibit at two International Gay & Lesbian World Travel Expos and at the

International Conference on Gay & Lesbian Tourism held in Montreal in early October, and stage PR events incorporating fundraising for local charities. The CTC's investment was leveraged by inviting partners to place parallel ads or share space. Tourism Toronto and the Canadian and Ontario Gay & Lesbian Chambers of Commerce participated in this opportunity.

The CTC currently is evaluating results from the Spring 2005 campaign. Although the detailed performance metrics are not available yet, staff have indicated that they were positive, and demonstrated strong potential in targeting the gay & lesbian leisure traveller. In 2006, the CTC is planning to broaden the campaign within the US. The Ontario Tourism Marketing Partnership (OTMP) also announced recently, that it is developing a gay and lesbian marketing program for 2006.

The CTC has announced the formation of a Canada Gay Tourism Task Force to provide a platform for information sharing, idea generation and discussion about how to best tackle this niche market. The first meeting took place on October 24th and was attended by representatives from both the City of Toronto Tourism Program and Tourism Toronto as well as the Ontario Tourism Marketing Partnership and the Canadian and Ontario Gay & Lesbian Chambers of Commerce.

With both senior levels of government beginning to invest in marketing Ontario and Canada to the gay and lesbian travel market, it is extremely timely to continue to position and further develop Toronto as a specific gay-friendly destination. The depth of product of interest to the gay & lesbian traveller – great theatre, restaurants, vibrant cultural scene, nightlife, an extensive “gay village” in the Church / Wellesley area, and a generally accepting attitude by the general public and businesses – is probably greater in Toronto than in any other Canadian city. An indicator of Toronto's comparative product depth is found on the Canadian Gay & Lesbian Chamber's travel website, www.travelgaycanada.com, where 116 businesses are listed in the Toronto business directory as “gay-friendly” versus 81 in Vancouver, 51 in Montreal and 24 in Ottawa. Toronto's Pride Week is among the largest in North America, attracting more than 500,000 participants a year, one third of who are tourists.

Yet many other destinations are more active in profiling their attributes to this market and in developing packages and other products making their cities accessible and inviting to the gay and lesbian traveller. For instance, both Montreal and Vancouver feature “gay-friendly” information and links on the home pages of their main tourism websites. Niagara Falls' website has a section profiling and facilitating wedding planning. Ottawa coordinated the same-sex wedding of Alex and Lynn, competitors in the popular reality television show *The Amazing Race*, in June 2005.

Tourism Toronto's marketing plan for 2006 will increase the resources allocated to developing the Gay and Lesbian tourism markets. Tourism Toronto financial contributions will leverage funds allocated by the OTMP and CTC and ensure that Toronto is positioned as the major destination for Gay and Lesbian Travellers to Canada.

Enhancements to marketing Toronto as a Gay and Lesbian destination in 2006 by all partners will include:

- developing a gay & lesbian microsite or webpage such as was maintained by the Gay Toronto Tourism Guild in 2004 that includes information about Toronto of particular interest to this market;
- highlighting the micro-site on key destination planning websites such as www.toronto.ca, www.tourismtoronto.com, www.toronto.com, www.travelgaycanada.com, etc.;
- supporting the Canadian Gay & Lesbian Chamber of Commerce in developing and rolling out a diversity training program to front line workers in the tourism sector;
- collecting and disseminating information of particular interest to gay and lesbian travellers such as an events calendar, index to gay-oriented activities and attractions, wedding planning and marriage license information and contacts;
- advocate modernizing City Hall's wedding chapel and publicizing its renovation to the market;
- supporting a media relations program and FAM tours targeting the gay & lesbian population and traveller;
- representing Toronto at international gay and lesbian travel events and other community causes and forums (2006 presents particularly excellent opportunities in this area with both Rendezvous Canada, Canada's main travel trade event, and the International Aids Conference taking place in the city);
- leveraging the investments being made by the CTC and OTMP by strongly representing Toronto as a destination in their respective programs;
- targeting key international events and conferences linked to the gay and lesbian population for sales pitches and bids to attract them to the city;
- cross-marketing Toronto with and in other destinations popular with the gay and lesbian population (e.g. Key West Florida);
- developing and marketing gay and lesbian oriented vacation packages both within Toronto, and partnering Toronto with other destinations throughout Ontario and Canada; and
- working with Toronto businesses, attractions and events to build their awareness about opportunities to attract gay and lesbian visitors from beyond the Toronto GTA and gain their participation in collective developmental and marketing

plans and activities. Businesses and organizations positioning themselves as gay-friendly or gay-oriented probably would be the initial focus, but there also is strong potential value for the “mainstream” industry in targeting this travel sector.

Priorities, additional ideas, action plans, budgets and funding mechanisms, and the respective roles of the CTC, OTMP, Tourism Toronto, City Tourism Program, and the business community will be clarified in order to further such initiatives. The Canada Gay Tourism Task Force and the organizational work and program initiatives being undertaken by the Canadian and Ontario Gay and Lesbian Chambers of Commerce will provide good starting points. An outreach to the Toronto business community already is starting with an information sharing forum that has been organized by the Ontario Gay and Lesbian Chamber of Commerce with the support and participation of the CTC, OTMP, Tourism Niagara and Tourism Toronto on October 24.

It is suggested, that the next steps should involve staff from the City’s Tourism Program working with Tourism Toronto and Toronto representatives from the two Chambers, including such key associations as the Church/Wellesley BIA and the organizers of Gay Pride, to determine the potential and interest in strengthening Toronto’s positioning as a gay and lesbian tourism destination.

A challenge in working with any single market or product development project for both Tourism Toronto and the City’s Tourism Program in the past has been the breadth of community interest and potential opportunities within Toronto compared with the limited resources that have dedicated to product development and niche marketing. The lack of resources was further exacerbated in 2005 by OTMP’s termination of its City Product Development program. A proposal for a refocused Product Incubation and Niche Marketing Program is included in the Tourism Program’s 2006 Operating Budget Request. If funded, it will significantly improve the City’s ability to work with the private sector and community on tourism development initiatives and deliver fresh leisure and entertainment experiences to the tourism market.

2. Museum Pass:

A coordinated museum pass is one of a number of strategies frequently used by destinations to build awareness about their museums and create a reason for people to make a decision to visit. One of the first initiatives the Tourism Division explored after its formation in 2002 was a day pass to all Toronto attractions, intended to invite local residents to explore their city and increase their first-hand knowledge of the various attractions. The premise was that they then would be more inclined to show them off to visiting friends and relatives and feel more engaged with the publicly-funded institutions they support through their tax dollars. The concept was discussed with some of Toronto’s key attractions and museums, but not pursued further since the attractions were not interested in participating.

“Passports” offering admission to a group of attractions for a single bulk price is another approach. The Tourism Division coordinated an initiative with the Culture Division and the

museums it operates, the Royal Ontario Museum, Gardiner Museum and Ticket King to develop and sell a City Museum Passport in 2001, 2002 and 2003 that offered unlimited admission to the participating museums over the course of a year. The program operated on a very small budget, relying on staff time donated by the participants, piggyback marketing and point-of-sale and word of mouth promotion. Nonetheless it was quite successful, showing steady growth in sales to reach about 1000 passports in 2003. Additional museums and activities such as tours were expressing interest in joining the program, and there was a desire to expand it to include more participants, undertake broader marketing and generate higher sales. However, to do so exceeded the capacity of the volunteer-based infrastructure that was managing passport sales and redemption. Efforts to secure additional resources to seed an expanded infrastructure for the passport program failed, and the participants concluded that they were not interested in continuing to operate it at its current level of sales.

The private sector also is active in coordinating passport programs. CityPass is an example. It is an American-based company with programs in about six major cities. It started a Toronto program in 2004 involving our six highest volume attractions. SmartVisit is another example. It is an Australian based company that has started a passport program in Vancouver. It has been exploring the potential in other Canadian destinations including Toronto.

The City currently is working with the cultural community on *Live with Culture*, a sixteen month program celebrating Toronto's arts and cultural communities. It launched in September 2005 with City Hall and Nathan Phillip Square's 40th Anniversary, and will continue through to the end of December 2006. The purpose of the program is to leverage the capital investments being made in Toronto's major cultural venues to raise awareness of the city's thriving cultural scene.

One of the components will be somewhat similar to a museum pass. This is *Nuit Blanche*, an all night contemporary arts festival which will give Torontonians free access to public buildings not usually open after dark. People will be able to wander in search of art and light installations, unique concerts by candle light, gallery hopping, walking tours and moonlit readings. *Nuit Blanche* will take place during October 2006.

Nuit Blanche was introduced by Paris, France in October 2002 where it attracts more than one million participants. Its popularity led Brussels, Rome and Montreal to follow suit, and in 2006 Madrid, Istanbul and Helsinki as well as Toronto will become *Nuit Blanche* locations.

It is suggested that the concept of a coordinated museum pass be revisited in late 2006/7 in the context of follow-up to *Live with Culture*.

Conclusions:

As was requested by Council, staff are including gay and lesbian tourism development in their work program. Work with this sector is being greatly facilitated by the CTC and OTMP decisions to launch significant marketing campaigns targeting the gay and lesbian traveller. It is extremely timely to work with Tourism Toronto and the Toronto community to further develop and position Toronto as an excellent destination within Canada for the gay and lesbian traveller.

Doing so will better ensure that Toronto attracts a high market share of the business generated by the CTC and OTMP campaigns.

In terms of the suggested coordinated museum pass, significant work in partnership with Toronto's cultural community, including its museums, is underway in 2005/6 to execute the *Live with Culture* campaign. The planned events include *Nuit Blanche*, an all night arts festival giving people free access to public buildings. It is suggested that the concept of a one-day museum pass be further explored with the community in the context of follow-up to *Live with Culture* in late 2006 or 2007.

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